UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress ¹

[Date approved: August 2, 2006]²

Bill No. and sponsor: S. 2775 (Mrs. Kay Bailey Hutchison of Texas).

Proponent name, location: Uniden, Fort Worth, TX.

Other bills on product (109^{th} Congress only): None.

Nature of bill: Extension of existing temporary duty suspension through December 31, 2009.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Electrical radiobroadcast receivers designed to receive and monitor publicly transmitted radio communications, valued at over \$40 each, that are not combined with a clock, that are either mounted on a base or designed for use in an automobile or boat (provided for in subheading 8527.39.00).

Check one:	X Same as that in bill as introduced.
	Different from that in bill as introduced (see Technical comments section)

Product information, including uses/applications and source(s) of imports:

These products are scanners, which are radio receivers with the ability to scan pre-programmed frequencies as well as the ability to search for new ones. A scanner typically is capable of tuning in frequencies outside the usual consumer radiobroadcast frequencies, including noncommercial frequencies such as those used by police and fire departments. Scanners in this category are valued over \$40 each, are incapable of operating without an external source of power, and do not contain a clock. The bill would continue the duty-free treatment of scanners other than table-top models, particularly those for use in motor vehicles or on boats.

Malaysia, China, and Japan are the principal sources of U.S. imports of these goods.

¹ Industry analyst preparing report: John Kitzmiller (202-205-3387); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

Estimated effect on customs revenue:

HTS subheading: <u>8527.39.00</u>									
\searrow	2006	2007	2008	2009	2010				
Col. 1-General rate of duty	3%	3%	3%	3%	3%				
Estimated value <i>dutiable</i> imports	\$6,500,000	\$6,500,000	\$6,500,000	\$6,500,000	\$6,500,000				
Customs revenue loss 1/	\$195,000	\$195,000	\$195,000	\$195,000	\$195,000				

^{1/} The estimated customs revenue loss for 2006 reflects the existing duty suspension under heading 9902.02.25 that expires on December 31, 2006.

Source of estimated dutiable import data: Official U.S. Government statistics and industry and Commission estimates.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Uniden (Proponent) Jena Hooks, 817-858-3574	05/31/2006	No	No	No
Scanner Master Richard Barnett, 508-650-4300	05/31/2006	No	No	No

Technical comments:³ None.

The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

S. 2775

To extend the temporary suspension of duty on electrical radio broadcast receivers not combined with a clock.

IN THE SENATE OF THE UNITED STATES

May 10, 2006

Mrs. Hutchison introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To extend the temporary suspension of duty on electrical radio broadcast receivers not combined with a clock.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. ELECTRICAL RADIO BROADCAST RECEIVERS
- 4 NOT COMBINED WITH A CLOCK.
- 5 (a) In General.—Heading 9902.02.25 of the Har-
- 6 monized Tariff Schedule of the United States (relating to
- 7 electrical radio broadcast receivers not combined with a
- 8 clock) is amended by striking "12/31/2006" and inserting
- 9 "12/31/2009".

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies to goods entered, or withdrawn from
- 3 warehouse for consumption, on or after the 15th day after

4 the date of enactment of this Act.

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